

## FINANCIAL AND COMMERCIAL.

FRIDAY, Feb. 3.

The stock market was tested more severely to-day than at any time since the present upward movement in securities began. As was to be expected, the professional element, which has been decidedly in favor of a reaction for a week or ten days past, endeavored at the opening to follow up the advantage which it gained yesterday afternoon. The traders had in their favor an indifferent market for American securities in London, but encountered for a brief period at the opening the execution of a moderate volume of commission buying orders that had come to hand overnight. After the demand from that quarter had been supplied, a further determined effort to lower prices was made, and as none of the major important interests joined in the movement was unsuccessful. During the middle of the day declines of 1/2 to 3 points were common, and a few of the so-called specialties sustained even greater net losses. These fluctuations naturally brought out a good deal of stock, principally from small speculative holders, and doubtless forced liquidation on the part of oversanguine and lightweight operators. Still, there was no pronounced pressure to sell.

At the extreme decline the larger interests began to show their hands by picking up stocks on a fairly extensive scale. The first effective buying was in New York Central, and it was speedily followed by an absorption of Atchison preferred that soon turned the course of prices. The buying movement extended to the Granger stocks, particularly to Chicago, Burlington and Quincy, which had been executing a great week in the early days. The reaction in bonds of various road also stimulated an active demand for that stock. The recent reaction in the standard dividend paying stocks and the fresh demand for them to-day are easily explained. The advance in them originally started with investment buying that in time stimulated speculative purchases that carried the prices of all these stocks above figure, that actual buyers were willing to pay. The latest buyers, therefore, found themselves without a substantial market when they sought to take profits, and in consequence had to part with their speculative holdings to an extent that has brought prices back to figures that are again attractive to investors. The same thing has taken place in other sections of the market, particularly in shares that have recently attained places on the dividend paying list.

The most sensational feature of the day was an advance of more than 10 points in Manhattan, followed after a short decline of less than 2 points. The net result of the day's trading in this stock was an advance of 8½ cent. The movement was accompanied by a rumor that the company had acquired control of the Third Avenue surface railroad. A more substantial basis for the rise may be found in the progress that the company is making in the direction of supplying the city or a large part of it with electric light, heat and power. In the last hour the entire line rallied so sharply that many of the early losses were recovered, while in other cases they were reduced to fractions. The only noteworthy net losses in the active list were sustained by Manhattan Railway, People's Gas and Tennessee Coal and Iron. Among the less active stocks Lake Erie and Western preferred was conspicuous at net decline of 3 points, a movement which is largely explained by the decision of the management to close its business until after the close of business to suspend the payment of dividends for at least two years to come.

While the decline during the first half of the day was primarily due to market conditions, it should be noted that speculative sentiment was influenced perceptibly by advices from Washington casting doubt upon the ratification of the Paris treaty. The fact that some brokerage houses in direct telegraphic communication with the national capital were heavy sellers of stocks intensified the apprehension of the speculative community. These fears were largely dissipated in the late trading by the sudden and decided change in the character of the market. The prevailing opinion after the close of business was that the market had behaved admirably under the most severe test to which it has yet been subjected, and that it is therefore in a more satisfactory condition than it was a week ago. This view was held regarding the industrial as well as the financial stocks, with the group of stocks most affected being those with a market stamp on the older securities. The heaviest trading was in Federal Steel issues and Sugar Bedding, while the greatest strength was in Consolidated Gas, American Steel and Wire common, United States Leather preferred and International Silver. A few stocks, notably Great Northern preferred and Long Island Railroad, sold at the highest price recorded for them in the present movement. The tone at the close was strong.

**New York Stock Exchange—Sales, Feb. 3.**  
UNITED STATES AND STATE BONDS (IN \$1,000,000).

72 U.S. 2.r..... 80 U.S. 4.r. 1025  
10 Tenn. Set. .... 97 125<sup>1/2</sup> 120  
20 U.S. 5.c. .... 3 3½ Feb 2.36  
107<sup>1/2</sup> 107<sup>1/2</sup> 107<sup>1/2</sup> 107<sup>1/2</sup> 107<sup>1/2</sup> 107<sup>1/2</sup>

CLOSING PRICES OF UNITED STATES BONDS.

Bid. Asked. Bid. Asked.

Un St. & S. 100<sup>1/2</sup> 102<sup>1/2</sup> 128<sup>1/2</sup> 128<sup>1/2</sup>

U.S. 8s. 100<sup>1/2</sup> 101<sup>1/2</sup> 102<sup>1/2</sup> 102<sup>1/2</sup>

1918.r. 106<sup>1/2</sup> 107<sup>1/2</sup> 122<sup>1/2</sup> 128<sup>1/2</sup>

U.S. 100<sup>1/2</sup> 101<sup>1/2</sup> 102<sup>1/2</sup> 102<sup>1/2</sup>

100<sup>1/2</sup> 101<sup>1/2</sup> 1